# Regional Industry Partnerships & Career Pathways: A National Movement

Wisconsin Industry Partnerships Workshop September 15, 2010 Presented by Larry Good, CSW



# Creating 21<sup>st</sup> Century Workforce Strategies

- Global Economy = New Rules, Risks, Rewards
- Game Has Changed
  - For Employers
  - For Workers
- New Strategies Being Invented
  - Industry Partnerships
  - Career Pathways

# The Challenge

→ 57% of our workforce in need

→ 2/3 of 2020 workforce already in workforce today

→ Skilled workforce = substantial competitive advantage



# Non-Traditional is the New Norm





# The New Givens in Workforce Policy

- Industry solutions trump "one plant at a time"
- Lifelong Learning is essential
- Partnerships are now mandatory
- Workers must navigate career pathways
- Regions are where economies organize



# Industry Partnerships: A Powerful Organizing Tool

- Partnerships among firms in key industries with educators, workforce developers, and economic developers
- Wholesale, not retail strategy
- Organize around industry needs, not public programs
- High leverage possible with limited funding

# **Key Characteristics**

- Address the needs of employers
  - Focusing intensively on the workforce needs of a specific industry sector within a region over a sustained period of time, often concentrating on a specific occupation or set of occupations within that industry
- Bolster regional economic competitiveness
  - Aligning education, economic, and workforce development in support of strategies that can bolster the region's economy

# **Key Characteristics**

- Address the needs of workers
  - Creating formal career paths to good jobs, reducing barriers to employment, and sustaining or increasing middle class jobs
- Promote systemic change
  - Achieving ongoing benefits for the industry, workers, and community.

Not another new project or initiative . . . it's a new way of doing business.

# Why Use the Industry Partnership Approach?

- Provides focus on key industries' success
- Aligns resources and strategies
- Win-Win proposition for all stakeholders
- Venue for innovation
- Create career ladders and lattices for workers
- Compliments existing workforce and economic development efforts

# Results for Employers

- Turnover: 41% reported reduction
- Rework: 19% reported reduction
- Customer complaints: 23% reported reduction
- Companies that said partnerships with other companies were valuable: 100%

Source: 3rd party evaluation of Massachusetts Sector Initiative

# Results for Workers

- Employees who participate in sector-related training earned an average of two dollars more per hour
- Participants in sector skills-training programs saw decreases in poverty (from 64% to 35%)
- Participants gained new jobs as a result within targeted sectors
- 83% of participants agreed that the training prepared them well for work in the targeted sector
- 78% said the program had improved their chances of getting a good job

Source: Public-Private Ventures

http://www.ppv.org/ppv/publications/assets/263\_publication
 .pdf

# Structure of an Industry Partnership

Focus: An Industry within a Regional Labor Market

Management by a Workforce Intermediary

Services Delivered by Partner Organizations

### **Design and Development**

- •Convene partnership
- Conduct research
- Target occupations
- Design services
- •Determine new needs
- Obtain start-up resources



### **Operations**

- •Provide programmatic services to workers and employers
- •Coordinate activities to produce outcomes
- •Obtain resources for sustainability and expansion
- Bring about system change

# What Do Industry Partnerships Tackle?

- Definition and resolution of key human capital issues facing the industry, including:
  - Short and long-term hiring challenges
  - Retention issues
  - Incumbent worker skill development
  - Work reorganization
  - Institutional and regulatory obstacles

# It's About More than Just Training

- Industry partnerships tackle mix of immediate challenges and long-term issues
- Beyond training, the work may involve:
  - Identifying and naming sets of skills needed for the industry and its occupations
  - Developing new or revised curriculum and credentials to address skill shortages
  - Developing supports for workers undergoing training
  - Raising awareness about career opportunities
  - Helping employers improve HR processes
  - Aligning local education, workforce, economic development activities

# **Key Partners**

- Employers and Employer Associations
- ▶ K-20 Education
- Counties and Cities
- Workforce Development
- Economic Development
- Social Services
- Labor Organizations
- CommunityOrganizations

- Across <u>geographic</u> <u>jurisdictions</u> (e.g. multiple counties)
- Across <u>public entities</u> (e.g. education and economic development)
- Across types of organizations (e.g. public, private, non-profit, philanthropic, education)
- Across <u>levels of education</u> ("cradle to grave")

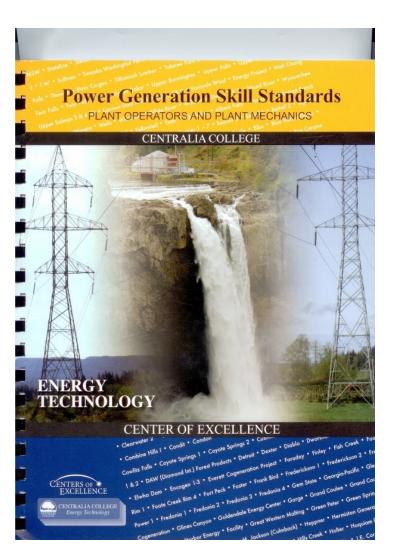
# WIIFM - What's In It For Me?

- Employers shared cost, a place to solve major talent issues, a single table at which to work with public entities
- Educators venue for faster understanding of changing industry needs; play out of educational career pathways
- Workforce Developers strategic focusing of time and resources for high leverage with key industries while meeting worker needs
- Economic Developers place for focused work with key industries on talent questions; can be major tool in retention and growth strategies

# An Example: Power Generation Skill Panel, Washington State

- Convened by the Centralia Community College
- •Involves major power generation plants (coal, hydro, and wind), plus major public utilities around the state
- •Key partners are Labor, community colleges, workforce boards, and industry experts
- •Products include articulated "skills standards" for key occupations, shared purchase of key curriculum, a revised apprenticeship program, and the creation of a hands-on training facility at an un-used nuclear power Plant (Satsop Nuclear Facilities)

"The Power Generation Skill Panel has effectively met the needs of employers, workers, and the training system through collaboration and focused work on critical issues. By meeting the demand driven skills needs of industry we are all more competitive." --Bob Guenther, IBEW Local 77



# Roles of Industry Leaders

- Driving the partnership
- Acting as champions of Industry Partnerships
- Identifying workforce needs

# The Evolution of the Business-Education Partnerships: Beyond "Business-Driven"

"Off the shelf" course offerings

Needs assessment/customized training

Organizational development approach ("Trusted Partner")

Deep engagement-Shared ownership of standards, curriculum and assessments

# Key Findings *Accelerating State Adoption of Sector Strategies*

# **Industry Partnerships:**

- Promote Regionalism
- Increase Funding Opportunities
- Use Data to Drive Decisions
- Align Resources and Strategies
- Present Opportunities for Unified Messages
- Build Legislative Support

# Evaluation of Sector Strategies: What We Know Matters to States

### **Impact on Jobseekers and Workers**

- Increased availability of good jobs
- Improved working conditions
- Expanded work supports
- Increased opportunities for education and training for high-demand occupations
- Increased employment and wage gains

### Impact on Employers and Industry

- Shared costs and risks
- Increased availability of skills training
- •Guidance on ways to improve human resource practices
- Reduced turnover

### **Effectiveness of the Partnership**

- The right partners "at the table"
- Industry challenges identified
- Appropriate solutions designed/implemented
- Plan of action, road map, goals and outcomes
- •Partners agree the Partnership is valuable
- New and leveraged funding

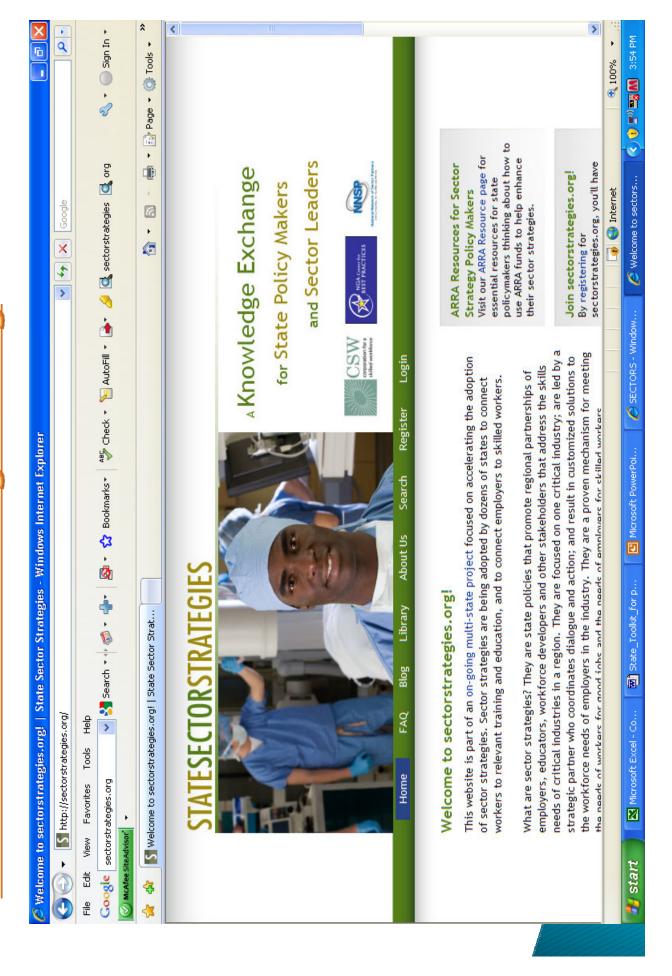
### **Systems Change**

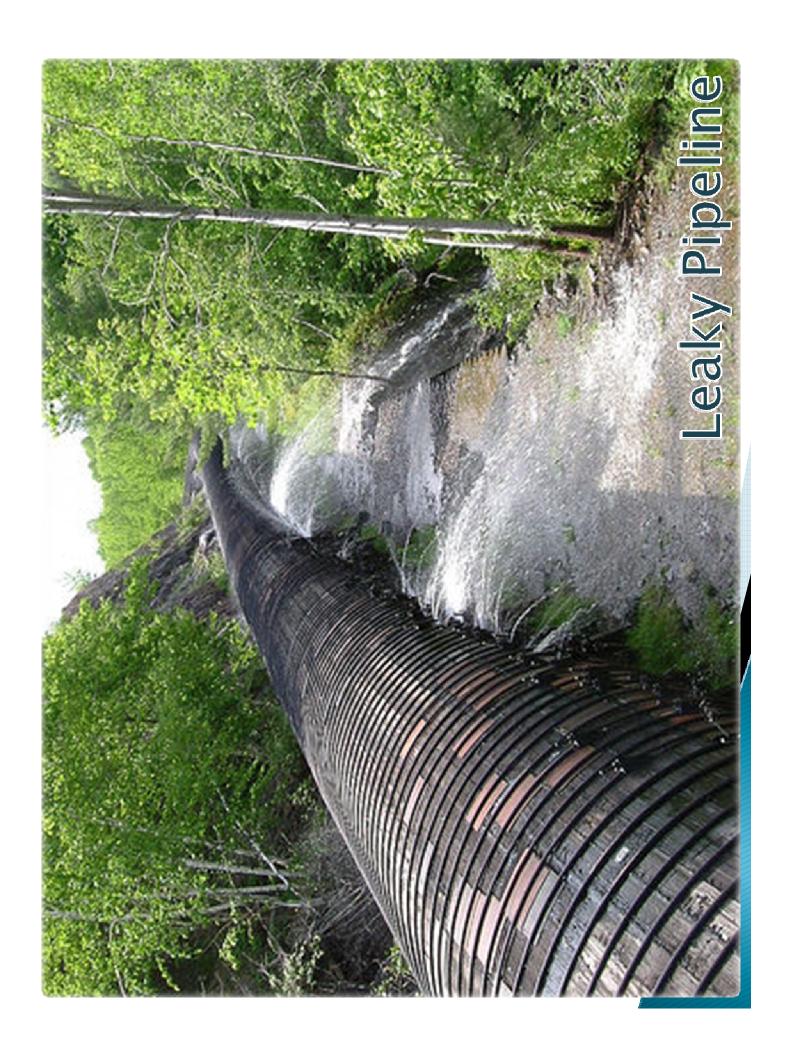
- •Changes in how education, workforce, economic development and employers work together
- New social and business supports
- Changes in public policy
- Changes in employer practices

# Why Regions are Important

- Economic and workforce activity is localized
- Artificial boundaries are not important to employers, workers, and job seekers
- Laboratories for innovation and transformation
- Examples of State-Regional Strategies:
  - Illinois Critical Skills Shortage Initiative
  - Michigan Regional Skills Alliances
  - Pennsylvania Industry Partnerships
  - Washington State Skill Panels
  - Minnesota Sector Partnerships

# www.sectorstrategies.org



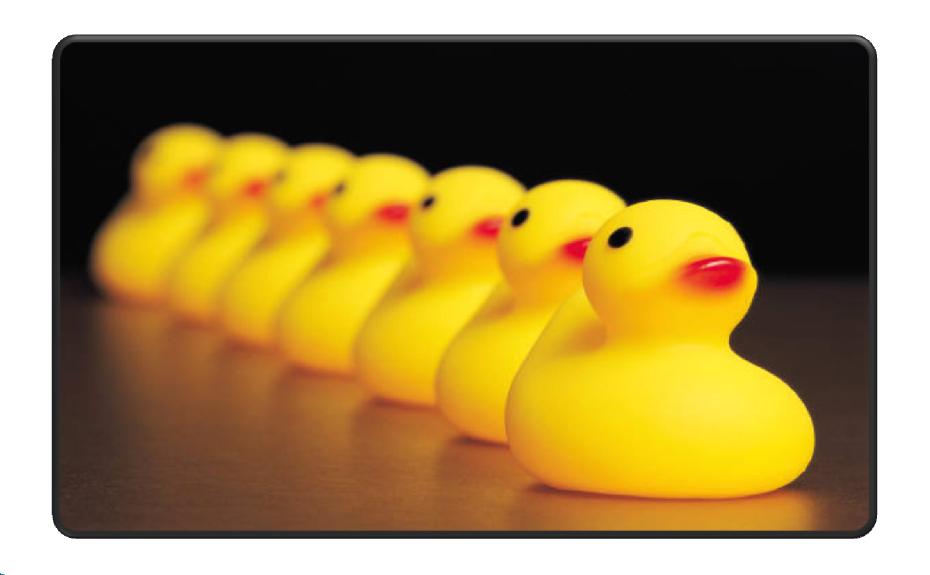


# Career and Educational Pathways



# Workers/Learners Need:

- More flexible and accessible learning delivery;
- Relevant career and educational pathways; and
- Career navigation to industry relevant skills & credentials.

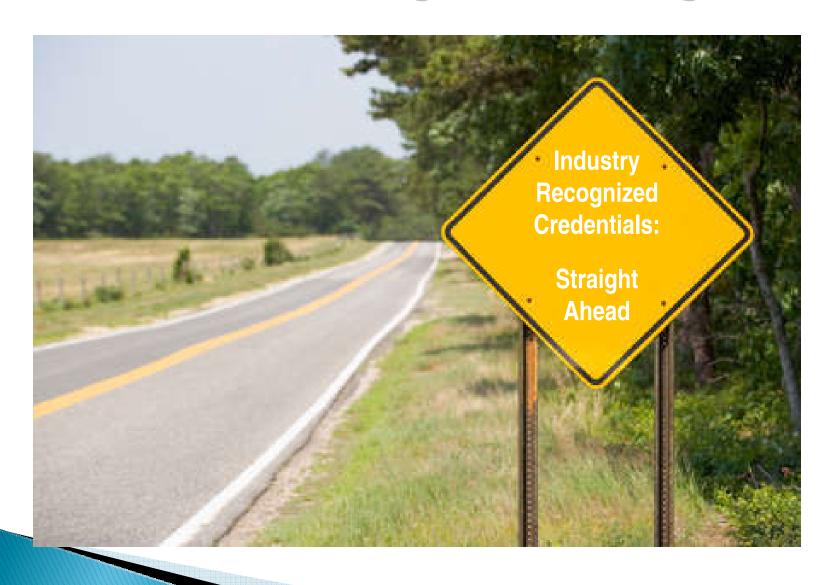


Big picture = Alignment

# Flexible and Accessible Learning



# Relevant Skills through Career Navigation



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# Industry Partnerships Across the Country

20+ States are using or developing Industry Partnerships as a framework for regional economic competitiveness

California	Maryland	Ohio
Colorado	Massachusetts	Oklahoma
Georgia	Michigan	Pennsylvania
Illinois	Minnesota	South Carolina
Indiana	North Carolina	Washington
Kentucky	New York	Wisconsin
Louisiana	New Hampshire	Wyoming

Hundreds of local areas use Industry Partnership initiatives to connect workers to critical industries in their region.

# Are Industry Partnerships & Career Pathways "Fad of the Month"?

## No!

- Growth in number of states and communities adopting the model or planning to do so
- Need for innovative approaches to workforce development in every industry
- These strategies work
- Bipartisan adoption
- Federal interest growing



# Wisconsin's Edge:

- Strong partnerships
- Holistic strategy
- Innovations invented here
- Potential for public & foundation partnerships

# Questions?

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